

**QUESTIONS AND ANSWERS ON
BANK INDONESIA REGULATION NO.13/4/PBI/2011
CONCERNING
REVOCATION OF BANK INDONESIA REGULATION NUMBER
10/22/PBI/2008 CONCERNING MEETING OF NEED OF
FOREIGN EXCHANGE FOR DOMESTIC CORPORATION THROUGH
BANK**

1. **Q : What is the background of the revocation of Bank Indonesia Regulation No.10/22/PBI/2008 concerning Meeting of Need of Foreign Exchange for Domestic Corporation through Bank?**

A : Bank Indonesia Regulation No.10/22/PBI/2008 is a temporary measure aiming at giving the certainty about the availability of foreign exchange liquidity in the domestic market to the public, particularly domestic corporations. Along with the better development of economy and condition of domestic foreign exchange market, domestic corporations have been able to fulfill the requirements for foreign currency through the mechanism generally accepted in domestic markets.

2. **Q: In the event that the requirements for foreign currency of domestic corporations cannot be fulfilled through the mechanism generally accepted in the domestic market, when this provision has been revoked, are there any**

other mechanisms in Bank Indonesia which enables the fulfillment of requirements for foreign exchange for such interest?

A: Banks may conduct transactions with Bank Indonesia, among other things, through the transactions of USD Repurchase Agreement (Repo) to Bank Indonesia as provided for in Bank Indonesia Regulation No.11/4/PBI/2009 dated January 30, 2009.